



NEWS RELEASE

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Davis, Hoyer, Weldon Introduce District of Columbia Military Retirement Equity Act of 2003

Washington, D.C. – House Government Reform Committee Chairman Tom Davis (R-VA), Democratic Whip Steny Hoyer (D-MD) and Rep. Curt Weldon (R-PA) today introduced the District of Columbia Military Retirement Equity Act of 2003, bipartisan legislation that will allow current and former D.C. Police Officers and Firefighters, U.S. Park Police Officers, and U.S. Secret Service Employees to “buy back” military service time to avoid costly reductions in their monthly benefit payments.

Under current law, retirees in the D.C. Police Officers’ and Firefighters’ Retirement Plan (Plan) may use the time that they served in the military as credit toward their retirement. However, retirees who are eligible to receive their Social Security benefits may not concurrently receive credit for the time they served in the military. This means that after the retiree reaches age 65, the amount of their annuity is significantly reduced. This bill would allow members and retirees to “buy back” the years of military service to avoid having the reduction in their monthly benefit payment.

“This is a simple matter of fairness and equity,” Davis said. “This legislation parallels the Civil Service Retirement Act (CSRA). Federal employees who retired under the CSRA were made aware of the post-1956 law and were permitted to ‘buy’ the service credit by making payments equal to seven percent of the military basic pay for the period in question. If the employee elected to ‘buy back’ the service credit, it continued to be counted after the employee became eligible for Social Security. The current and former officers covered under this bill – who have served our country not once, but twice -- deserve the same opportunity.”

“Through no fault of their own, hundreds of retirees now find themselves in a precarious position of having to ‘buy back’ their military time or have a dramatic reduction in their annuity,” said Hoyer. “These are retirees who served our country in the military and who returned from service to protect our communities as first responders.

We have a responsibility to provide a mechanism for active duty members and retirees to be able to plan for and maintain a comfortable retirement.”

“Thanks to a simple legislative oversight, District of Columbia firefighters and police officers who also served in the US military, currently face drastically reduced retirement benefits or even worse, may have to pay back benefits because of a government mistake. This scenario is unfair and must be corrected,” Weldon said. “We have an obligation and an opportunity to right this wrong for the benefit of those who have unselfishly served to protect our nation’s capital and defend our nation.”

Like the Federal retirement programs, with this legislation members and retirees would be able to purchase their post-1956 military service and have it credited to their Plan benefits permanently.

Payment amounts will be seven percent of the annuitants’ basic pay at the time of employment if they were hired before November 10, 1996. Those hired after this date will pay eight percent of their base pay. Members and retirees who elect to retain credit for service will have a grace period of two years to make payments. Deposits made after the 2-year grace period or October 1, 2006 will include interest.

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